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OPEDA

Organization of Professional Employees of the U. S. Department of Agriculture

Issued at Washington, D. C., Each Quarter of Calendar Year
VOLUME 2 FEBRUARY 1950 NO. 1
Address P. O. Box 381, Washington 4, D. C.

THE OPEDA ADMINISTRATION FOR 1950

▼ Free expression, one of OPEDA's basic principles, applies not only to policies but also to the selection of officers, councilors, and executive committee members. The first step toward the annual election is the designation of a nominating committee. This year that committee comprised Robert H. Black, PMA; Damon A. Spencer, BAI; William A. Dayton, FS; Lydia A. Lynde, Extension; Harold A. Stone, B&F; Robert A. Stein, REA, and Lee M. Hutchins, PISAE. It named two candidates for each elective position except that of executive officer, for which it proposed no second candidate.

As soon as the votes of the individual

OPEDA members of the various units had determined the 36 voting members of the council for 1950, they were furnished ballots bearing the names of the candidates proposed by the nominating committee. Thus they had ample time in which to consider and discuss with their bureau associates the merits of the several nominees. The result was a 100 per cent vote; each and every one of the 36 voting members cast their ballot.

The same committee that made the nominations tabulated the votes cast for each nominee, and certified the name of the person who received the highest number of votes for each

elective position. The persons so certified were declared elected by unanimous vote of the council at its meeting of January 12.

Carried over from 1949 were the president, the executive officer, and two members of the executive committee. Newly elected were the vice president, the secretary-treasurer, and four members of the executive committee. Of the 36 voting members of the 1950 council, 12 were voting members and 4 were alternates in the 1949 council. May we at this point introduce to you the persons who are to chart OPEDA's courses during this year of grace, 1950.

VICE PRESIDENT



MILDRED BENTON

Miss Benton, leaving the city of her birth, Indianapolis, Ind., in 1926, spent the next 3 years in Miami, Fla., and became a resident of Washington in August 1929. Her fields of scholastic activity were DePauw University, Greencastle, Ind.; Butler University, Indianapolis, Ind.; and George Washington University, which granted her an A.B. in Library Science in 1936 after 4 years of attendance at evening classes. Her fields of professional activity have been the Indiana State Library; the Flagler Memorial Library, Miami; and, since 1929, the Library of the U. S. Department of Agriculture, where she was Acting Librarian from June 1944 until September 1945, when Librarian Ralph Shaw returned from military duty and she resumed her permanent position of Chief, Division of Field Library Services.

PRESIDENT



BENNET A. PORTER

The highlights of Dr. Porter's career were set forth in detail a year ago when he first assumed the OPEDA presidency. The place of his birth is Northampton, Mass.; his boyhood days were spent in the Connecticut Valley; what is now the University of Massachusetts is his alma mater. He has been a member of the USDA family since 1917, a fixture in the Washington area since 1928, and head of the Division of Fruit Insect Investigations, BEPO, during the past 5 years. The difficult and absorbing technical and scientific requirements of that job rather completely occupy Dr. Porter's thought and time; nevertheless, he has accorded OPEDA a generous share of his attention and carries the responsibilities of its presidency with appropriate gravity and dignity.

SECRETARY-TREASURER



CHARLES N. MASON

A native of Montana, Mr. Mason spent some of his boyhood on ranches and farms in the Yellowstone and Big Horn Valleys. Granted bachelor (1930) and master (1934) degrees by the University of Montana, he entered the Forest Service in Missoula, Mont., in 1935 but soon transferred to a new office of the Bureau of Agricultural Engineering, Milwaukee, Wis. In 1939 he joined the Soil Conservation Service; 2 years later he transferred to the Farm Security Administration, Indianapolis, Ind. In 1942 the Washington Office of Budget and Finance claimed him but in 1946 Production and Marketing Administration induced him to assist in developing the first commercial type budget required of Commodity Credit Corporation. He is now Chief, Corporate and Control Division, Office of Budget, PMA.

GREETINGS AGAIN

OPEDA has honored me by reelection to the presidency for another year. This honor is greatly appreciated, and I hope that the trust reposed in me will not prove to be misplaced.

Many of last year's goals were reached but much remains to be done. In order that OPEDA may best serve the needs of its membership and of the professional personnel of the Department in general, correspondence is invited on matters that are of interest to us as a group and that could well be taken up by the organization. Your wishes will be given careful study and carried out as far as feasible.

With the effective work of our executive officer, Mr. Lee F. Kneipp, your officers look forward to another year of helpful service.

BENNET A. PORTER, President.

MEMBERS OF THE EXECUTIVE COMMITTEE FOR 1950

John W. Asher, Jr., REA
Chief, Personnel Div.
J. L. Boatman, EXT
Chief, Div. of Subject Matter
C. O. Henderson, PERS
Chief, Div. of Training

Harry Irion, FS
Administrative Assistant
E. R. McIntyre, INF
Press Service
John G. Sutton, SCS
Engineering Div.

MEMBERS OF THE COUNCIL FOR 1950

Agric. Economics
B. Ralph Stauber
Robert C. Tetro
Harald C. Larsen
Carl C. Taylor*

Agric. & Ind. Chem.
George W. Irving, Jr.
Harry W. vonLoescke
Joseph R. Spies*

Agric. Research Admin.
Louise Stanley †
Neil W. Johnson †

Animal Industry
C. H. Pals
George E. Hanna
Ada L. Smith
H. R. Bird*

Commodity Exch. Auth.
W. Edwards Beach
Walter L. Miller*

Dairy Industry
Roy C. Jones
Ralph P. Tittsler*

Ent. & Plant Quar.
H. L. Haller
H. S. Dean
R. A. Sheals
L. B. Reed*

Experiment Stations
Theresa E. Powell
Whitney B. Stout*

Extension Service
L. M. Vaughan
Gladys Gallup*

Farm Credit Admin.
Franklin D. Van Sant
James L. Robinson*

Farmers Home Admin.
Frate Bull
James H. Wood
Sterling S. Landess*

Food & Drug Admin.
G. Robert Clark
Sumner C. Rowe*

Foreign Agric. Relations
Montell E. Ogdon
Henry Hopp*

Forest Service
Arthur A. Brown
Charles E. Randall
Frederick W. Grover
Otto A. Zimmerli*

Information
Richard A. Hollis
Roy E. Miller*

Library
Roberta C. Watrous
Alice H. Wittwer*
PISAE
Victor F. Tapke
Edward E. Clayton
Harry L. Garver
Marion C. Goldsworthy*

Prod. & Mktg. Admin.
James W. Browning
George E. Gaus
Raymond R. Pailthorp
Lance G. Hooks*

Rural Elec. Admin.
Robert A. Stein
Wade M. Edmunds
Walter O. Oeltjen*

Soil Cons. Service
Alfred M. Hedge
Eugene J. Peterson
Ruth Nordin
James H. Stallings*

* Indicates alternate.
† Nonvoting until eligibility formally established under article VI of constitution.

STANDING COMMITTEES

The function of a standing committee is to particularly and in detail study the issues upon which the organization should declare itself, carefully assembling and evaluating all of the data, reconciling apparent conflicts or inconsistencies, and vesting the general membership or at least the council or the executive committee with complete and dependable bases for judgment or decision.

Obviously the sincere and effective redemption of that function is a time-consuming process. Even the friendly debate of a single issue by a group of keen minds but varying viewpoints may consume an hour or two, and that is the rub in connection with the organization of OPEDA's standing committees.

Naturally the best talent, the widest experience, the judgment that commands general confidence, are desired for such important services. These attributes are not uncommon among OPEDA members, but those possessing them in conspicuous degree are already so fully occupied with official responsibilities that they are reluctant to assume the obligations of committee membership even though their interest in OPEDA may be long-standing, wholly sincere, and of the highest

order. The foregoing explains why there cannot be included in this newsletter a complete roster of the membership of all four standing committees.

One committee, the services of which are urgently needed, is well under way—the Committee on Economic Criteria. C. K. Morrison, of FHA, who was an able worker on the committee last year, has accepted the chairmanship. James L. Robinson, FCA, Ralph W. Sherman, EPQ, George D. Hanna, REA, Eugene A. Hollowell, PISAE, John R. Moore, SCS, Madge Reese, Extension, Harold A. Stone, B&F, and Asa Winter, BAI, have signified their willingness to serve, most of them actively participating in the two meetings of the committee held to date.

The plan and program of the Committee on Professional Criteria was not perfected in detail until December 1, 1949, at which time the committee adopted and organized subcommittees for the conduct of five specific projects, namely: (1) classification standards affecting members of OPEDA, (2) career standards in Government work, (3) opportunities for women in Government employment, (4) recognition, incentives, and awards, and (5) education for Government employees. The chairmen of the five subcommittees,

respectively, were: Verna Mohagen, SCS, Ross Silkett, PMA, Margaret W. Ayrault, Library, A. M. Hedge, ICS, and Marshall J. Goss, AIC. In addition to these chairmen of subcommittees, plus Dean Cochran as chairman of the main committee, the other members were: R. O. Been, BAE, M. J. Edmunds, EPQ, Herbert Folken, PMA, Karl A. Fox, BAE, H. L. Haller, EPQ, Neil W. Johnson, ARA, George Musgrave, SCS, C. H. Pals, BAI, and Robert M. Walsh, PMA. In view of the progress made by the committee and the constructive character of the program it has outlined, its continuation more or less en bloc seems definitely to the interest of OPEDA, and it is understood that the majority if not all of the members of the committee are willing to serve during 1950.

Complete membership lists for the Committees on Working Criteria and Public Service Criteria have not yet been developed, but there is a confident belief that the appealing opportunities for constructive service which these fields offer will induce proper numbers of OPEDA members to accept the responsibilities of committee membership, so that the personnel of the committees can be announced in detail in the next newsletter.

ITEMS OF INTEREST

OPEDA'S FINANCIAL STATUS

Receipts

Balance on hand January 1, 1949	\$ 4,259.75
Receipts, January 1 to December 31	6,139.25
Total receipts	\$10,399.00

Disbursements

Salaries	\$ 3,165.28
Printing and mimeographing	1,165.22
Addressograph service	168.30
Postage	414.14
Office equipment and supplies	423.87
Telephone	25.82
Post office lock box	12.14
Miscellaneous	25.07
Total disbursements	5,399.84

Balance on hand December 31, 1949

▼ CHAPTER ADVANTAGES:

Letter from Mr. Kneipp to Mr. Edwards, President, Spartanburg, S. C., Chapter:

"Notwithstanding the excellent example set by the Spartanburg Chapter of OPEDA, it continues to be the only one in existence. There are now numerous other sections in which the OPEDA membership is more than sufficient to meet the minimum chapter requirements, and in a number of instances inquiries have indicated a considerable degree of interest and curiosity, although none has as yet matured into a chapter organization.

"It occurs to me that a statement by you as to the workings of the Spartanburg Chapter, its effectiveness as a means of determining membership viewpoint, of interchanging ideas, and of promoting a strongly professional approach to pending proposals, would be of considerable interest to people in other parts of the country and might do much to advance a more adequate pattern of chapter organizations.

"The OPEDA newsletter for the first quarter of 1950 is now in course of preparation, and should you be willing and find the time to prepare a statement about your chapter, its inclusion in the next issue of *OPEDA* would give it wide publicity."

Reply from Mr. Edwards: "As members of OPEDA, we have found that our affiliation in a local chapter of the organization has been very effective as a means of determining membership viewpoint, exchanging ideas, and of promoting a stronger professional approach to pending proposals. For example, when bill S. 1275 was considered in committee hearings the Spartanburg Chapter sent a representative to Washington to appear before the committee. This representative, representing the society, was in a position to present the views and interests of the local membership. We have also on other occasions made collective studies of other pending legislation in which professional interests have been involved."

The OPEDA constitution fixes 12 as the minimum membership of a chapter. However, it has become evident that not all OPEDA members are interested in chapters, so realism would suggest that only those centers in which there are 25 or more OPEDA members should be regarded as bases

for chapter organization. On that premise the following centers now would qualify:

Philadelphia, Pa.	58
Berkeley, Calif.	52
Milwaukee, Wis.	43
New Orleans, La.	41
Lincoln, Nebr.	37
Madison, Wis.	32
Portland, Ore.	31
Montgomery, Ala.	29

▼ OPEDA MONTHLY LUNCHEONS: At the OPEDA luncheon of December 20 Director of Personnel T. Roy Reid held the interest of the attendant members with what he had termed "random comments" on the USDA professional employee. He professed some embarrassment due to the fact that many of the participants were official associates of such long standing and intimacy as to give them the privilege of frank criticism that prevails among members of a family.

Mr. Reid paid tribute to Dr. A. F. Woods, who inspired OPEDA's organization more than 20 years ago, and he emphasized the tremendous changes which have taken place in Federal personnel policies and procedures during the past several years. For these he gave OPEDA a generous measure of credit and he foresaw for it a long period of future usefulness to the Department and to its professional employees. Mr. Reid classified OPEDA as a conservative organization but saw definite values in its reputation as such and in the long-known fact that its conclusions and proposals were not hasty or ill-considered but represented deliberate and comprehensive study and a consensus of well-informed professional opinion. OPEDA's greatest need, as Mr. Reid saw it, was a large increase in its younger members—particularly of those persons who until recently were in the P-1 classification or eligible thereto.

This luncheon being the last he would attend as an active member of the Department, Dr. Melvin C. Merrill seized the opportunity to make a highly entertaining farewell statement. However, there was nobody present who had the slightest belief that Dr. Merrill's retirement would change his long-standing regularity of attendance at all OPEDA meetings.

OPEDA's fourth monthly luncheon on January 17 was quite successful, only a few seats being unoccupied. The original plan had been to have a town meeting type of discussion of

Federal education assignments, the topic to be presented by a panel of four speakers—two who advocate the practice, and two who object to it. However, to do the subject justice more time was necessary for preparation; consequently the topic was postponed to the February 21 luncheon. The last-minute substitute program consisted of a survey of legislative prospects by the executive officer and an excellent training picture "Ground Training for Smoke Jumpers," which illustrates methods used by the Forest Service in training raw recruits for this new type of fire control.

The fifth OPEDA luncheon on February 21 could readily have met the highest standards of the various forums now conducted on the radio. An admission in the course of the proceedings that a full-dress rehearsal had been held the preceding day explained the perfection which was attained. There was no radio transmittal but there was a wire recordation of the entire proceedings, and the functions of emcee were performed by Colonel Goss with consummate skill. The subject was "Should the USDA Finance the Education of Its Professional Employees?" The panel, according to the program, was made up of Edward I. Kotok, FS, and Paul V. Maris, FHA, for the affirmative considerations, and Lewis H. Rohrbaugh, GS, and Frank H. Spencer, ARA, for the negative considerations. The billing, however, quickly proved to be misleading. A tremendous area of agreement was developed on the part of all four participants, sometimes affirmative in character, sometimes negative. If the luncheon presented any disappointing feature, it was in the lack of time for interrogations and discussions by the audience.

Since this type of discussion is rich in informative value, it will be repeated at the OPEDA luncheon of March 21 in relation to the present agitation for curtailment or other modification of the current annual and sick leave privileges of the classified service. As this topic falls within the province of the Committee on Economic Criteria, Chairman C. K. Morrison of that committee plans to develop a similar program of analysis and discussion as an effective means to crystallize the views and recommendations of his committee on this important subject.

▼ FAIR EMPLOYMENT PRACTICES AND APPEALS PROCEDURE: On February 2 the Executive Assistant to the Secretary, Wesley McCune, discussed with representatives of the several employee organizations the draft of proposed "Chapter 46—Fair Employment Practices and Appeals," indicating and explaining a number of minor changes subsequently made in the draft previously mimeographed and distributed. There was virtually no dissent thereto at the time, but the participants in the conference were asked to submit not later than the end of the ensuing week any comments or amendments they cared to offer. OPEDA has offered none, since the proposed provisions appear wholly equitable and workable.

DO THE FOLLOWING LETTERS CORRECTLY EXPRESS THE VIEWPOINTS OF OPEDA MEMBERS?

▼ Letter of January 31 to Hon. Olin D. Johnston, Chairman, Senate Committee on Post Office and Civil Service:

"Current discussion of possible changes in present annual and sick leave privileges granted to persons in the classified civil service is creating wide concern among members of this organization. Their fervent hope is that the circumstances under which this subject has suddenly assumed major importance will not result in any hasty or ill-considered action. The general attitude of your committee in matters affecting the interest and welfare of Federal employees warrants the assumption that the committee will thoroughly canvass and analyze the entire situation before it gives approval to any modifications of the now prevailing rules.

"A large proportion of the members of the classified civil service regard the privileges of annual and sick leave which they now enjoy as major factors in the maintenance of organizational stability and efficiency. There are many members of the classified civil service to whom the annual and sick leave privileges are far less important as provisions for leisure and recreation, or as ultimate sources of additional income through liquidation at termination of employment, than they are as a peculiar type of insurance against the vicissitudes of unemployment or of accident or illness of abnormal duration in the case of the employee personally or which involve other members of the employee's family. Even before provision was made for cash liquidation of unused leave there was a wide tendency carefully to conserve or even hoard such leave as a safeguard against possible future adversity. This insurance factor is very real, and the degree to which its loss negatively would affect morale and efficiency should not be minimized.

"But the accumulation or accrual of annual leave is not always a matter of studied intent for personal benefit. In the normal administrative operation of the various executive agencies there are frequent periods when the absence on leave of particular officers would be seriously negative to the public interest. Such officers might perhaps be the best qualified to testify at hearings on subjects of major importance, or to participate in the preparation of reports on such subjects, or their availability at certain times might be urgently necessary because their particular knowledge or skills were vitally essential to the most effective accomplishment of some highly important program of Federal action. In such circumstances the natural tendency is for the employee to forego the enjoyment of his leave, allowing it to carry over to some future period when its exercise would be less in conflict with the public interest.

"The comparatively recent provision for the cash liquidation of accrued and unused leave injects a new element into this otherwise long-standing problem. It creates a suspicion that motives of personal financial benefit will cause the employee deliberately to refrain from using his leave privileges

for the purpose for which they were primarily granted, namely, physical and mental recreation. The extent to which that would be true is wholly a matter of conjecture; in the majority of cases investigation probably would prove that the accrual of leave more often was due to the pressing demands of the employee's work or his strong personal interest in the maximum performance of his official duties. In either of such circumstances there would be a greater degree of accomplishment or production than would have prevailed if the employee had completely utilized his leave privilege; consequently the additional compensation resulting from cash liquidation of the accrued leave would not be in excess of the additional services rendered.

"It is the agency rather than the personal aspect of the financial factor which seems actually to be the crux of the present exceptional discussion of the subject. If a person with 60 days of accrued leave vacates the position in which the leave was accrued, his prompt replacement by another employee of comparable grade and salary normally is necessary. The amount payable to the first employee, either in liquidation of accrued leave or in bi-weekly payments for the leave period during which no service is rendered to the executive agency, obviously imposes a dual burden on the funds of that agency. It thus becomes quite understandable that officers responsible for the financial management of different executive agencies, irritated by this condition and with a view to minimizing their problems of financial management, have inclined to support the principle of shorter leave periods or lower limits of leave accumulation or accrual, even though such proposals are regarded by the majority of classified civil service employees as inimical to their interests.

"A recent proposal that all accrued leave be exercised prior to the end of the current fiscal year is most disturbing. The months of February to June, inclusive, normally are least suitable for recreational activities, especially for families with children of school age. Outdoor recreational facilities catering to Government employees seldom are fully operative during that period. The most satisfactory development of family plans and programs on such short notice would be difficult. Those are the personal considerations. The important public consideration is the extreme degree to which the operating personnel in all of the agencies of Federal service would be reduced during the remainder of the fiscal year. Persons holding most important positions, but not disposed to forfeit their accrued leave, would be absent in large numbers, and the activities of their employing agencies would suffer accordingly.

"The policy of the Congress, specifically expressed in existing statutes, has been to allow a 60-day accrual or carry-over of annual leave. Members of the classified civil service have shaped their plans accordingly, to a degree which verges on a contractual basis. If Congress is eventually to

establish a policy arbitrarily to require all leave to be utilized during the current year—that none of it can be carried over or allowed to accrue in later years—there should be allowed sufficient advance period to enable Federal employees to adjust their plans accordingly, without detriment either to their personal interest or to the interest of the executive agency by which they are employed.

"So important a subject merits most careful and detailed analysis, tempered by sympathetic consideration of the interests and viewpoints of the Federal employees who would be affected. If the peace of mind, loyalty, and efficiency of the employees in the classified civil service are to be maintained at a high level, no changes should be made until those employees have been afforded optimum opportunity to present for consideration by your committee all of the facts and circumstances which should influence decision in a subject of this importance."

▼ Letter of February 8 to Hon. John Lesinski, Chairman, House Committee on Education and Labor:

"This organization is highly gratified by the newspaper announcements of your intention within the next few days to introduce a bill to give true time-and-a-half cash payments to Government employees for all overtime work they have put in on the job. To the professional employees who comprise this organization the 'cash payment' is not in itself the dominating consideration. A very important collateral result could be a clarification and unification of Federal policies regarding overtime work and some harmonization of existing discrepancies in that field.

"Considerations of compensation for overtime work are predicated largely, if not exclusively, on the work of employees who spend their entire time at a desk, bench, machine, or window or in craft, trade, or common labor activities. Few persons engaged in work of heavy administrative responsibility, in extensive field activities, or in certain types of experimental or research work find it practicable to adhere to the standard workweek of five 8-hour days. Completion of duties after the close of the official workday, travel during nights, Saturdays, Sundays, and holidays, participation in evening conferences and conventions, and continuity of observation of research projects are all outside of the official workday.

"Few people engaged in such types of overtime work attach major significance to cash payment therefor. Some declaration by Congress of a policy of compensatory time probably would clarify the situation. It would perhaps be naive to contend that such overtime work is not now informally compensated in many cases, but there is no uniformity to the practice and no definition of equitable principles of recognition and adjustment. A declaration by Congress in those respects would tend to clarify and simplify this phase of overtime work.

"The Department of Agriculture has been represented on the Inter-depart-

mental Committee on Overtime Pay of Certain Inspectional Personnel which was initiated by the Air Coordinating Committee, established by Presidential order. Undoubtedly you are familiar with the activities and findings of that committee and of its proposal for new legislation. However, that proposal is far from complete, since the inspectional activities to which it relates involve only inbound people, plants, animals, goods, etc., while much of the inspectional responsibility of the Production and Marketing Administration of the Department of Agriculture is related to outbound commodities.

"But inbound inspection in itself presents an obvious anomaly in a situation where the requirement of an hour's work from midnight to 1 a.m., for example, on the part of three men would mean that one of those men would receive pay for 1 hour's straight time only, one would receive pay for 4 hours' time, and one would be allowed pay for 10 hours' time, even though the three services were all on the same job and under the same conditions so far as return to duty and disturbance of normal domestic routine were concerned.

"It is recognized that overtime work frequently is due to the personal interest and enthusiasm of an employee, or to enable the employee to qualify for a position of higher responsibility and compensation, or simply because the employee derives more satisfaction from the performance of official duties than he would through other uses of the same time. In such circumstances there should, of course, be no compensation for overtime work.

"Service beyond the official work-week often is performed by high-ranking officers on their own initiative. A principle of compensating for such work could readily lead to abuses and is definitely questionable.

"But in all cases where overtime work is dictated and justified by considerations of public necessity and interest it should invariably be compensated at prescribed rates, regardless of whether the official is of low rank or high rank. The hitherto prevailing practice, dictated by earlier salary ceilings, of progressively reducing the hourly rate for overtime work until it amounted to markedly less than the normal rate is difficult of justification. Equally difficult to justify is the widely prevalent thought that below a certain salary level legitimate work should invariably be compensated, but that above such level it should be without compensation. If the bill you plan shortly to introduce effectively will cover situations such as discussed herein, the members of this organization will owe you a debt of gratitude."

▼ Letter of February 9 to Hon Garrett L. Withers, Senate Committee on the Judiciary:

"Senator McCarran, as chairman of the Committee on the Judiciary, by letter of January 31, has stated that

as of January 27 a subcommittee of which you are the chairman, and of which Senator Kefauver and Senator Donnell are the other two members, was appointed to reconsider the bill S. 864, 81st Congress, 1st Session, of which the major purpose is to obviate the necessity for payment by Federal employees of two or more income taxes on the one identical salary paid by the United States. This letter, therefore, is addressed to you in your capacity as chairman of the subcommittee.

"Federal employees can offer no demur to the payment of taxes on real or personal property to any State in which such property may be situated, nor can they reasonably object to payment of State taxes on gasoline to any State in which they are operating a motor vehicle. But they do have very valid objections to the payment of income or capitation taxes to any State other than the one in which they maintain their legal residence or domicile, especially if their presence in such other State is due wholly to their official assignment.

"Prior to enactment of the Public Salaries Tax Act of April 12, 1939 (5 USC 84 (a)), few Federal employees were subject to demands for income or capitation taxes by other than the State of legal domicile. But following passage of the act cited, States in which Federal employees do not maintain legal residence or domicile have made various demands for payment of income or analogous taxes additional to those paid by the employee, or from which he may be legally exempted, in the State in which he legally is domiciled. Some Federal employees, notably in Philadelphia, Pa., are subject also to an income tax imposed by the municipality in which they are stationed. The Congress has been asked to correct this condition but thus far has not done so.

"Letters from members of this organization indicate that there are a number of States which impose income or capitation taxes on Federal employees whose legal domiciles are in other States to which they either pay income taxes or by which they are exempted from such tax. Your subcommittee no doubt will have compiled a list of the States in which that condition prevails. It is understood that altogether there are employees of 63 Government agencies who would be concerned in legislation such as S. 864.

"But one acute situation which involves a material number of Federal employees exists almost within sight of the dome of the Capitol. As the activities of the Federal Government have expanded and multiplied they have overflowed the boundaries of the District of Columbia into the adjoining States of Maryland and Virginia. In consequence many Federal employees whose services originally occurred within the boundaries of the District, and who have continued to reside in the District, now are required to render such service beyond those boundaries as, for example, at Beltsville. It is reported that at the present time the total number of employees of the

Department of Agriculture who reside either in the District of Columbia or in Virginia but who work in Beltsville is approximately 659. Lesser numbers of U.S.D.A. employees are serving in other portions of the greater Washington area but outside the District, and the number of employees of other executive departments, establishments, and agencies serving under similar conditions runs into the thousands. The Census Bureau alone fixes the number at 2,500 and anticipates a marked increase as the decennial census gets under way.

"While the State of Virginia has an income tax applicable to persons with legal domiciles in other States, it is not aggressively pressing the subject and at the moment the Virginia situation is not urgent. However, it readily could become so by a simple change of State policy or statute.

"The State of Maryland, however, is aggressively pressing its claims for payment by non-residents of the State income tax. Its Non-Resident Individual Income Tax Return, Form 505, is very specific in its claims and conclusions, with the warning that willful failure to file a return or report, or willful failure to pay any tax when due, is a criminal offense for which the penalty is a \$500 fine or 6 months' imprisonment or both. Exemption is allowed of \$1,000 for an unmarried person or \$2,000 for a married couple. The part of income not so exempted is subject to a tax of 2 per cent. Against that tax there may be credited the income tax paid to the State of residence.

"If the tax collection date of the State of residence is later than that of the State of Maryland, the credit for payment to the State of residence cannot be shown in the return. A more important feature, so far as the District of Columbia is concerned, is the fact that under recent law only incomes in excess of \$4,000 hereafter will be subject to income tax. A sales tax has now replaced the income tax in the lower brackets, and there is no method by which the D. C. resident can prove or obtain credit for sales tax payments. Consequently he will be subject to the full 2 per cent assessment by the State of Maryland regardless of how adequately he may have contributed to the cost of governing the District of Columbia.

"Because of the penal provisions prescribed by the Maryland statute, individual Federal employees are reluctant to expose themselves to possible reprisals by personal activity in opposition to a tax by Maryland upon salaries for which they already have paid an income tax to their State of residence. However, if your subcommittee were disposed to go into the subject fully through adequate hearings there would be, I am confident, a convincing demonstration of the need for the enactment of S. 864 or other measure of similar basic purpose. It therefore is sincerely hoped that the subcommittee will decide to go into the subject fully."

Don't forget U. S. Savings bonds.

If Each Loyal OPEDA Member Would Enlist One New Member,
OPEDA's Effectiveness Would Be Greatly Enhanced.

Kneipp Letter No. 9

In the newsletter for December 1949 the executive officer made some brave promises regarding the speed and detail with which the legislative situation would be reported shortly after the convening of the 2d Session of the 81st Congress. The defaults that have occurred are deeply mortifying.

The program of Grade A Federal employee legislation has been slow in getting under way. Organization of the respective Committees on Post Office and Civil Service was rather a leisurely process, and the pressures as indicated by the activities in the committee offices are far below those of 1948 and 1949. There is an absence of the feverishly intensive groups and delegations eager to discuss their particular interests, of the crowds exceeding the seating capacity of the committee hearing rooms, and of the other conditions that so generally characterized the employee legislative programs of the two preceding years.

As a matter of fact the several committees most significant to OPEDA's membership—namely, Post Office and Civil Service, Expenditures in the Executive Departments, and Education and Labor in the House or Labor and Public Welfare in the Senate—are only just now beginning to attain normal activity.

The fact that this is an election year can be variously construed. One deduction would be an early termination of the session so as to permit members of Congress to spend the maximum pre-election period in their respective constituencies. Another expectation reasonably might be an added degree of sympathetic consideration for the viewpoints of the supporters of various proposals affecting Federal employees.

However, in a considerable proportion of the country the real competition for office is in the primaries, which take place in early or midsummer, so that in those instances the congressional delegations might prefer to absent themselves during the midyear period and make up the lost time immediately thereafter. The sympathetic sensitivity to the proponents of legislation beneficial to Federal employees also may be neutralized by the views negative to such legislation expressed by other groups or interests whose rights of franchise are equally well established.

But on the whole the current expectation is that Congress will terminate its activities not much later than June 30; also that the views of those strongly and personally supportive of legislation promoting Federal employee interests will have some advantage over groups which on more

abstract bases record their opposition to such legislation. The only dependable conclusion is that what happens legislatively during the next 4 months will be well worthy of the attention of every member of OPEDA.

▼ **INDEMNITY BONDS:** The inequities of current requirements that Federal employees personally pay costs of indemnity bonds are being brought sharply into focus. On February 24 Senator Hoey of North Carolina, as chairman of a subcommittee of the Senate Committee on Expenditures in the Executive Departments, conducted a most illuminating hearing in relation to the bills S. 193, S. 1692, and S. 1997 introduced, respectively, by Senators Downey, Holland, and McCarran. Another bill introduced by Senator Johnston of South Carolina has been referred to his own committee for consideration. Several bills of similar import are pending before the House committee.

At the hearing of February 24 Senators McCarran, Johnston, and Holland testified very effectively in support of the proposed legislation, as did also W. L. Ellis of the General Accounting Office, Armstrong of the Bureau of the Budget, and John Cook of USDA. All frequently quoted Senate Report 1158, colloquially titled the Abel Report. This analyzed in detail the premiums paid by Federal employees and the indemnities accruing thereunder to the United States for the past score of years. During the years 1942 through 1947 the premiums amounted to an average of \$1,666,978 whereas the costs to the bonding companies, including costs of settlement and investigation, averaged only \$227,529.

The business obviously is very lucrative to the security companies, which are questioning legislative authority under which the United States itself would carry the risk or would establish a Cooperative Bonding Company to which federal employees

whose duties require bonds would make modest initial contributions and thereafter pay only such assessments as might be necessary to defray losses actually sustained by the United States.

The security companies are emphasizing the impropriety of Federal invasion of a field of private enterprise, but also are conceding that the actuarial facts justify a simplified and less expensive form of security bond for Federal employees. The companies have made definite proposals—received, however, only on the date of the hearing and, therefore, not disclosed in detail. Hearings are recessed indefinitely to permit full consideration of the new proposals. It seems evident, however, that some measure of relief is highly probable.

▼ **RETIREMENT CREDIT:** No change has occurred in the legislative status of the bill S. 1275, which would authorize additional retirement credit for earlier service on Federal-State cooperative programs under State appointment, other than the change in the chairmanship of the subcommittee to which the bill is assigned. That position is now held by Senator Humphrey of Minnesota, his associates being Senator Long of Louisiana and Senator Flanders of Vermont. In replying to certain recent inquiries Senator Johnston has emphasized the fact that the bill is now in the hands of that subcommittee.

The most important development has been the growing conviction on the part of the original proponents of the measure that it should be so amended as to make it applicable only to the several programs of Federal-State cooperative action which have been so significant to the Nation's agricultural economy during the past half century, namely, the programs of agricultural experiment station research and investigation; agricultural extension; vocational education; forest and watershed protection; and control of plant pests and animal diseases. Such amendment is believed to be the most effective means to counteract negative representations as to the ultimate financial consequences were the bill to be enacted.

The proposed amendment has been considered and approved by the OPEDA Committee on Economic Criteria and by the OPEDA executive committee. Plans are now being made to discuss the subject with Senator Johnston, who introduced S. 1275, with a view to obtaining his concurrence in the proposed amendment, following which all practicable measures will be initiated to induce early consideration by the subcommittee in the Senate and to ascertain whether the introduction of the amended bill in the House can be accomplished.



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